Frank W. Harrison, Jr.

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April 5, 2004

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APPLICATION

Honorable James H. Welsh Commissioner of Conservation P.O. Box 94275 Baton Rouge, LA 70804-9275

RE:

Miogypsinoides 2 Zone Reservoir A

Judice Field

Lafayette Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of INDIAN EXPLORATION, INC. for the calling of a public hearing, after thirty (30) days legal notice, to consider evidence relative to the issuance of Orders pertaining to the following matters in the Miogysinoides 2 Zone, Reservoir A, in the Judice Field, Lafayette Parish, Louisiana, to-wit:

- 1. To establish rules and regulations and create a single drilling and production unit for the exploration for and production of gas and condensate;
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation;
- 3. To provide that any future wells drilled to the Miogypsinoides 2 Zone outside of the proposed unit should be located in accordance with the spacing provisions of Statewide Order No. 29-E;
- 4. To provide that the Commissioner of Conservation should be authorized to reclassify the Miogyp 2 Zone, Reservoir A, by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation; and

5. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Miogyp 2 Zone in the Judice Field, Lafayette Parish, Louisiana, is hereby defined as that gas and condensate bearing zone encountered between the depths of 12,130' and 12,346' MD (11,917' and 12,116' TVD) (electrical log measurements), in the Indian Exploration, Inc. (LLOG) Thibodaux No. 1 Well located in Section 3, Township 10 South, Range 3 East, Lafayette Parish, Louisiana.

A conference to discuss the proposed application and any opposition thereto was held at 10:30 a.m. on Thursday, April 1, 2004, at the Petroleum Club of Lafayette, 111 Heymann Blvd., Lafayette, Louisiana 70503, (337) 232-2582. A list of the parties who attended the pre-application conference is attached. E. Holmes Smart, consulting geologist for the applicant, opened the conference with a brief discussion of the Rules of Procedure. He then explained the applicant's proposal and the geological, and other bases therefor, and answered questions. Mr. Chris Roy, a landowner in the area, presented a counterplan which was largely the reestablishment of the Miogyp 2 Sand Unit which was dissolved by supplement to 612-H effective January 5, 2004. Attempts to resolve the differences between his plan and the applicant were unsuccessful. The conference was then adjourned.

Pertinent data relating to the proposed application can be obtained, <u>AT THE COST OF THE REQUESTING PARTY</u>, by contacting Frank Harrison, Jr. 200 Audubon Blvd., Lafayette, Louisiana 70503, (337) 232-4031.

There is attached hereto and made a part hereof a plat outlining the proposed unit and a list of the names and addresses of the interested parties to whom this unitization proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed herein is our check in the amount of \$755.00 made payable to the Office of Conservation in payment of the required hearing application fee.

Very truly yours,

E. Holmes Smart

EHS/hjs
Enclosures

cc: Mr. Richard Hudson, District Manager

Office of Conservation

cc: All Interested owners, Interested Parties

and Represented Parties

P.S. To all Interested Owners, Represented Parties and Interested Parties:

You may have received this Application even though your property is not included in the proposed unit, because the Revised Rules of Procedure require us to attempt to also notify everyone owning an interest in the area "proximate to" the proposed units. In some cases, the area proximate to proposed units can extend as far as one-half mile outside the unit boundary.

Your receipt of this Application does not require you to take any action. It is meant to notify you of these proceedings so that you have the opportunity to participate if you so desire.

